

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	Chapter 11
	§	
STEWARD HEALTH CARE SYSTEM	§	Case No. 24-90213 (CML)
LLC, <i>et al.</i> ,	§	
	§	(Jointly Administered)
Debtors. ¹	§	
	§	

**NOTICE OF (I) DESIGNATION
OF SUCCESSFUL BIDS; (II) PROPOSED
SALE ORDERS; (III) SCHEDULING OF SALE HEARING
WITH RESPECT TO (A) HOLY FAMILY METHUEN HOSPITAL,
(B) HOLY FAMILY HAVERHILL HOSPITAL, (C) SAINT ANNE'S
HOSPITAL, AND (D) MORTON HOSPITAL; AND (IV) RESERVATION OF
RIGHTS TO SEEK APPROVAL OF SALE OF ST. ELIZABETH'S MEDICAL
CENTER AND GOOD SAMARITAN MEDICAL CENTER AT SALE HEARING**

PLEASE TAKE NOTICE THAT:

1. On May 6, 2024, Steward Health Care System LLC and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (the “**Debtors**”), each commenced with this Court a voluntary case under chapter 11 of title 11 of the United States Code.

2. On June 3, 2024, this Court entered the *Order (I) Approving (A) Global Bidding Procedures for Sales of the Debtors' Assets, (B) Form and Manner of Notice of Sales, Auctions, and Sale Hearings, and (C) Assumption and Assignment Procedures and Form and Manner of Notice of Assumption and Assignment; (II) Authorizing Designation of Stalking Horse Bidders; (III) Scheduling Auctions and Sale Hearings; and (IV) Granting Related Relief* (Docket No. 626) (the “**Bidding Procedures Order**”) approving global bidding procedures (the “**Global Bidding Procedures**”) in connection with the sale of substantially all of the Debtors’ assets, including Holy Family Methuen Hospital, Holy Family Haverhill Hospital, Saint Anne’s Hospital, Morton Hospital, St. Elizabeth’s Medical Center, and Good Samaritan Medical Center (collectively, the “**Massachusetts Hospitals**”) and granting other related relief.²

¹ A complete list of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <https://restructuring.ra.kroll.com/Steward>. The Debtors’ service address for these chapter 11 cases is 1900 N. Pearl Street, Suite 2400, Dallas, Texas 75201.

² Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Bidding Procedures Order, the Global Bidding Procedures, and the Sale Notice (as defined herein), as applicable.

3. On June 5, 2024, the Debtors filed the *Notice of Sale, Global Bidding Procedures, Auction and Sale Hearing* (Docket No. 689) (the “**Sale Notice**”).

4. On June 18, 2024, the Debtors filed the *Notice of Extension of Certain Deadlines and Dates Under the Bidding Procedures Order* (Docket No. 895) (the “**Extension Notice**”), pursuant to which the Bid Deadline for the Massachusetts Hospitals was **July 15, 2024 at 5:00 p.m. (Central Time)**.

Successful Bids

5. The Debtors received a bid (the “**LGH Bid**”) from LG Newcorp, Inc. (“**LGH**”) for Holy Family Methuen Hospital and Holy Family Haverhill Hospital (the “**LGH Hospitals**”), and a bid (the “**Lifespan Bid**”) from Lifespan of Massachusetts, Inc. (“**Lifespan**”) for Saint Anne’s Hospital and Morton Hospital (the “**Lifespan Hospitals**”), and have determined that the LGH Bid and Lifespan Bid are each a “Qualified Bid” under the Global Bidding Procedures.

6. The Debtors, after consultation with the Consultation Parties, have determined that the designation of (1) the LGH Bid as the Successful Bid with respect to Holy Family Methuen Hospital and Holy Family Haverhill Hospital and (2) the Lifespan Bid as the Successful Bid with respect to Saint Anne’s Hospital and Morton Hospital is in the best interests of the Debtors and their estates.

7. Filed with this Notice as **Exhibit A** is a summary of material terms for each of the APAs (as defined below), documenting the LGH Bid and the Lifespan Bid.

8. Filed with this Notice as **Exhibit B** is the Debtors’ proposed order approving the sale transaction for Holy Family Methuen Hospital and the Holy Family Haverhill Hospital to LGH (the “**LGH Sale Order**”). A copy of the final and executed asset purchase agreement for Holy Family Methuen Hospital and Holy Family Haverhill Hospital (the “**LGH APA**”) between the Debtors and LGH, containing the terms of the LGH Bid (excluding certain exhibits and schedules) is attached to the LGH Sale Order as **Exhibit 1**.

9. Filed with this Notice as **Exhibit C** is the Debtors’ proposed order approving the sale transaction for Saint Anne’s Hospital and Morton Hospital to Lifespan (the “**Lifespan Sale Order**”). A copy of the final and executed asset purchase agreement for Saint Anne’s Hospital and Morton Hospital (the “**Lifespan APA**”) between the Debtors, Lifespan, and Lifespan Corporation, as Buyer Guarantor, containing the terms of the Lifespan Bid (excluding exhibits and schedules) is attached to the Lifespan Sale Order as **Exhibit 1**.

10. The Debtors are proceeding with seeking approval of the LGH APA and the Lifespan APA based on representations made by the Commonwealth of Massachusetts (the “**Commonwealth**”) that it will provide \$42 million in funding to the Debtors to support operations in September 2024, as well as accrued payroll obligations prior to the closing of the transactions contemplated by the LGH APA and Lifespan APA.

11. The Debtors are also finalizing the terms of an agreement with Boston Medical Center with respect to St. Elizabeth’s Medical Center and Good Samaritan Medical Center, and reserve the right to seek approval of the sale of such hospitals at the Sale Hearing (defined below).

Objection Deadlines

12. The Sale Objection Deadline with respect to the LGH Hospitals and Lifespan Hospitals is **September 2, 2024 at 5:00 p.m. (Central Time)**.

13. The Adequate Assurance Objection Deadline with respect to the LGH Hospitals and Lifespan Hospitals is **September 9, 2024 at 11:59 p.m. (Central Time)**.

Sale Hearing

14. The Debtors filed various notices of adjournment (See Docket Nos. 1720, 1934, 1989, 2094, & 2193) adjourning the sale hearing for the Massachusetts Hospitals.

15. The hearing to consider approval of sales of the LGH Hospitals and Lifespan Hospitals will take place on **September 4, 2024 at 10:00 a.m. (Central Time)** before the Honorable Christopher M. Lopez, United States Bankruptcy Judge in Courtroom 401, 4th Floor, 515 Rusk Street, Houston, Texas 77002 (the “Sale Hearing”).

16. You may participate in the Sale Hearing either in person or by an audio and video connection. Audio communication will be by use of the Court’s dial-in facility. You may access the facility at 832-917-1510. Once connected, you will be asked to enter the Conference Room Number. Judge Lopez’s Conference Room Number is 590153. Video communication will be by use of the GoToMeeting platform. Connect via the free GoToMeeting application or click the link on Judge Lopez’s home page. The Meeting Code is “JudgeLopez”. Click the settings icon in the upper right corner and enter your name under the personal information setting.

17. Appearances must be made electronically in advance of the Sale Hearing. To make your appearance, click the “Electronic Appearance” link on Judge Lopez’s home page. Select the case name, complete the required fields and click “Submit” to complete your appearance.

Additional Information

18. If you have questions concerning the contents of this notice or the sale process, you should contact the representatives of the Debtors with whom you have previously been in contact or counsel to the Debtors, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Ray C. Schrock, Esq. (ray.schrock@weil.com), Candace M. Arthur, Esq. (candace.arthur@weil.com), and David J. Cohen, Esq. (davidj.cohen@weil.com)) and 700 Louisiana Street, Suite 37000, Houston, Texas 77002 (Attn: Clifford Carlson, Esq. (clifford.carlson@weil.com) and Stephanie N. Morrison, Esq. (stephanie.morrison@weil.com)).

19. Copies of the Bidding Procedures Order and the Global Bidding Procedures may be obtained free of charge at the website dedicated to the Debtors’ chapter 11 cases maintained by their claims and noticing agent and administrative advisor, Kroll Restructuring Administration LLC, located at <https://restructuring.ra.kroll.com/Steward>.

Reservation of Rights

20. In accordance with the Bidding Procedures Order, the Debtors reserve the right to, in their reasonable business judgment, in a manner consistent with their fiduciary duties and applicable law, and in consultation with the Consultation Parties, modify the Global Bidding Procedures, waive terms and conditions set forth therein, extend the deadlines set forth therein, in each case, to the extent not materially inconsistent with the Global Bidding Procedures and the Bidding Procedures Order.

Dated: August 29, 2024
Houston, Texas

/s/ Clifford W. Carlson

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*Attorneys for Debtors and Debtors in
Possession*

Certificate of Service

I hereby certify that on August 29, 2024, a true and correct copy of the foregoing document was served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Clifford W. Carlson
Clifford W. Carlson